

Newsweek

Time

U.S. News & World Report

NEW YORK

Date 22 Aug 1988

WHAT HIS ADMINISTRATION WOULD BE LIKE BY JOE KLEIN

onald Reagan had to feel satisfied as the limousine eased onto Pennsylvania Avenue in the last hour of his presidency, January 20, 1989. A huge banner was unfurled in Lafayette Park—THANKS, GIPPER—and the crowds lining the avenue cheered emotionally, more intent on bidding him adieu, it seemed, than on welcoming his successor.

Reagan sat misty-eyed, nodding and waving. His successor—still looking very much a vice-president—sat next to him, waving too. "You're going to be a tough act to follow, that's for darn sure," said George Bush, with typical grace and goofy enthusiasm. "But I'm up for it! I'm up for the nineties!"

"The nineties?" Reagan asked, tickled as always by his vicepresident. "Whatsabout 1989? What's your top priority?"

"Well," Bush began a campaign refrain, "to be the edu—"
"'Cation president," Reagan laughed. "The election's over,
George."

"But I really do," said Bush, flustered.

"Sure."The president laughed again. "C'mon, George."

"Well, we'd better fix up this environment thing." Bush said, getting a bit testy.

"We stopped offshore drilling," Reagan reminded him.

"We can manage the darn thing better," Bush said, with real passion now. "You won't see some of these guys who goof off out there, you know, at the agencies. You won't see anyone like—well, like that gal you had at EPA or Fd Mess."

well, like that gal you had at EPA or Ed Meese..."

"You mean." Reagan said, "you're going to want an Attorney
General like, say, Dick Thornburgh?"

Bush, who had just announced his intention to keep Thorn-



burgh at Justice (and his good friend Nicholas Brady at Treasury), fell silent.

"Oh, as long as we're talking about continuity." Reagan added, "you'll do me a favor, won't you, George? You'll keep on feeding the squirrels. First thing, every morning. The nuts are in the upper-left-hand drawer."

S s

RESIDENT BUSH? PLAIN VANILLA. NO surprises. Steady as she goes.

Somehow, it seems less risky to speculate about a Bush presidency than to guess how Michael Dukakis might handle the

White House ("President Dukakis." July 15). An argument can be made that the Bush administration's first 100 days have already begun. Friends and allies of the vice-president, like Nicholas Brady and Richard Thornburgh, are moving into high-ranking Cabinet posts. The Reagan White House has been acting in restrained, Bushy fashion on a range of politically sensitive issues—declaring a moratorium on offshore oil drilling, allowing the 60-day plant-closing bill to pass, appointing a Texas Hispanic to the Cabinet. George Shultz, not Elliott Abrams, has been conducting foreign policy in Central America. The religious right is in retreat. Ed Meese is history. President Bush? Continuity. No sharp edges. Business as usual. Hohum.

"Let's face it." says a longtime adviser to the vice-president. "The next president whoever he is—won't have the problems Ronald Reagan inherited in 1981. There won't be raging inflation, a demoralized military, a sagging economy. There won't be the need for dramatic

themes or new policy initiatives. There won't be any need for a 'first 100 days.' The job will be pretty much confined to fine-tuning."

In some ways. ho-hum—the hope that he can sustain the Reagan "revolution" without much fuss or drama—may be Bush's best-case scenario. He falls rather neatly into a not-sogrand tradition of decent men, aspiring merely to "continuity," who have been overwhelmed, by either the personalities of their predecessors or the rush of events, at twenty-year intervals in this century. Three have been elected to maintain their party in power after two or more terms: William Howard Taft in 1908. Herbert Hoover in 1928, Harry Truman in 1948 (who wasn't any more popular than Taft or Hoover until after he died). Hubert Humphrey nearly was the fourth, in 1968. Numerologists and political junkies will, no doubt, sense a glimmer of tragic inevitability here.

On the other hand, conservatives and other law-abiding sorts might make a strong argument for ho-hum as an optimal form of governance. With relative peace and prosperity at hand, why make waves? And, given the continued luck of placid times, George Bush would be uniquely qualified by back-

ground and temperament not to do anything drastic. He is a natural-born caretaker, someone who honors the notion of public service while distrusting the realities of public opinion.

He may not be a bold man, but he is a solid one.

"He doesn't believe in posturing," says Chase Untermeyer. Bush's former executive assistant, who was recently—and rather hopefully—named to study the transition process for his old boss. "There is a certain embarrassment with the artifici-

alities of politics—the purple rhetoric, the symbols, the show. He has a term he uses for that sort of thing. He calls it 'blowing on,' which means to act like a politician, to go for the appliause line rather than the substance."

There would be little "blowing on" in a Bush White House. "He wouldn't have a Mike Deaver on his staff," says an aide, speaking of Ronald Reagan's past master of appearances.

At the same time, a distinctive Bush style would be readily apparent—more informal and much more active than the Reagan presidency. "You'd see a White House crawling with children and grandchildren and Bush busy, always doing something, out on the lawn, pitching horseshoes or whatever," says a friend. "There'd be constant action—lots of meetings, lots of personal phone calls. This guy doesn't like to sit around."

Throughout his public career, Bush seems to have been addicted to antic consultation. Friends say he has a list of between 2,000 and 3,000 consultees whom he may call for advice—or congratulate with a written note (Bush is known for this as well)—at the merest provocation. Unlike Reagan, he seems to enjoy chewing over policy: unlike Reagan, too, he seems to take government seriously.

"The biggest difference is that Bush thinks people are more important than Reagan does," says William Ruckelshaus, the former Environmental Protection Agency administrator who has been mentioned as a possible Bush Cabinet member. "With Reagan, there was always the sense that whoever was in whatever job at any given moment was just a matter of chance."

"There was disrespect for the notion of government in general," says a prominent Republican. "You know, it's one thing to say, I'd manage that agency different-

ly, and another entirely to say. 'That program is a lot of nonsense, so I'm going to put some clown in there to prove it.' Reagan did that more than once."

HE NOT-SO-QUIET DISDAIN FOR THE personalities, if not the philosophy, of the Reagan administration is a constant theme among Bushies. "You would not see any auto dealers in a Bush White House," sniffed an economic adviser, who proceeded to recite a litany of block-

headed Reaganauts.

By contrast, Bushies—the vice-president's 2,000 or 3,000 close, personal advisers—tend to be solid citizens: very smart, very well respected, very careful. Bush seems to shy away from the ideologues and pyrotechnic intellectuals Ronald Reagan favored. He is more likely to seek foreign-policy advice from someone like General Brent Scowcroft than from Jeane Kirkpatrick; more likely to discuss education with Xerox's David Kearns than with the Reverend Jerry Falwell; more likely to staff second-level positions with careerists than with politicians.

"You will not see Elliott Abrams as an assistant secretary of state for Inter-American affairs in a Bush administration," says a Central America expert. "You will see someone who has a diplomatic background in that region."

The key figures in a Bush presidency are so predictable that there is hardly any speculation about who might get the top jobs. "Every candidate always talks about having a collegial 'Cabinet government' and then runs the show from the White House," says one staff member. "But Bush might actually take a stab at it, since his top Cabinet people are going to be his closest friends." It is widely expected that Bush's best friend and closest adviser, Iim Baker, would be the secretary of state: that Scowcroft would become national security adviser; that former senator John Tower would be secretary of defense: that Thornburgh would stay at Justice and Nicholas Brady at Treasury (at least for a year or two). Few would be surprised if former White House aide Richard Darman were to become director of the budget office—and perhaps Brady's successor at Treasury. It is also expected that people like Representatives

Richard Cheney and Lynn Martin. Governor John Sununu of New Hampshire, former HLD secretary Carla Hills, Ruckelshaus—and a black and Hispanic to be named later—would populate the Cabinet.

There is some question as to whom Bush would choose as chief of staff. His current chief, Craig Fuller, 37, is certainly a possibility, although he has made more than a tw enemies among Bush's fractious campaign aides and may lack the experience and stature for the job. It is assumed that campaign manager Lee Atwater, 36, is more interested in winning elections than in running the country and would return to political consulting after the campaign ends—to the relief of many staid Bushies who see him as too wild and woolly

for anything so respectable as government work. Governor Sununu, former Nixon aide Fred Malek (whose managerial talents are much admired), and former Texas

congressman Tom Loeffler also are mentioned for White House jobs.

"Bob Teeter is very important, too, although he might not have an 'official' role." says one adviser, speaking of Bush's pollster and campaign strategist. "He is the guy most like Bush around here—a knee-jerk moderate. And, you know, with Teeter on hand and guys like Baker and Brady in the Cabinet, and Darman in some big job, the guy with the title of chief of staff may not be all that important."

"I know it sounds Dukakisoid." says Untermeyer, "but competence would be the hallmark of a Bush presidency—and of his key appointments. Running the government is what he's been trained to do. It's a job he takes very seriously."

administration, they often sound more Dukakisoid than Reaganautic. To be sure, there are important philosophical differences between the two candidates, but at times the priorities and styles are almost eerily alike: "The first thing we have to do—in November, as soon as the election is over—is begin to work with the Congress on the budget. We should aim to announce a bipartisan budget package sometime in February."

Who said that? A Dukakis adviser? A Bushie? The answer is ... both—using almost exactly the same words.

Bush advisers point out that many of the people who dealt successfully with Congress on tax cuts and budget matters in the early Reagan years will be doing the same for Bush—and the vice-president himself, voted most popular new congressman in 1967, still has a lot of friends on the Hill.

Actually, Bush and Dukakis seem to have fairly similar budgetary goals. Each sees the deficit as a key test of his leadership ability. Each says he wants to move immediately to reduce it—gradually, but steadily—and move close to balance by the end of his first term. And each seems to have the same mechanism for getting it done: gossamer and moonbeams.

Bush has gone Dukakis one better in the gossamer department by vowing never, ever, under any circumstances, to raise taxes. Indeed, he intends to lower the capital-gains rate to 15

percent on investments held for more than a year. Recent polls show a preponderant majority of the American people consider the vice-president's no-tax pledge ridiculous, but Bushies seem to take it very seriously. "History shows that 20 percent of GNP is the highest rate of taxation the public will tolerate," says Deborah Steelman, Bush's domestic-policy adviser. "We are at 19.5 percent now."

Behind the stubbornness on taxes is one of the more basic differences between Bush and Dukakis: "Bush has more faith in the free

market," says the campaign's research director, Jim Pinkerton. "Dukakis wants to micromanage the economy with this mini-industrial policy of his. Bush believes that kind of thing only leads to trouble. Dukakis may think he can do regional development with only \$500 million—but to get it passed, he's going to have to come up with 435 projects, one for every member of Congress.'

By contrast, Bush proposes another assault on federal spending, although one that would nibble away at programs across the board. His mechanism of choice was originallyand rather delightfully-called a "leadership freeze." It was quickly renamed a "flexible freeze," but the idea remained the same: to hold federal spending (with the exception of Social Security) at the current rate plus inflation. Michael Boskin, the Stanford economist who is the father of the freeze, says that if the economy grows at even the low rate projected by the Congressional Budget Office, a flexible freeze could balance the budget in five years.

Leaving aside the rather pregnant question of whether the economy can continue to grow for the next five years, there is a basic credibility problem here: No one really believes federal spending can be frozen, flexibly or not. Boskin lists several areas where spending would be increased—day care, drug programs, education, AIDS research—but no cuts. "You'll hear more about those later," he promises.

'The truth is, a Bush budget will look pretty much like a Reagan budget with the ends lopped off," says one of the experts advising the vice-president in this area. "No big increases, no big cuts. The best thing that can be truthfully said is that Bush would be less likely to succumb to spending pressure from a Democratic Congress than Dukakis."

Actually, the real budget pressures, the ones too hot for Dukakis or Bush to acknowledge will probably come from decisions made years ago in the area of middle-class entitlements. especially Medicare, which is projected to be the largest single government program by 1998. Some Republicans, led by former commerce secretary Pete Peterson, say that this exploding problem should be dealt with as soon as possible. "To talk about budget-cutting," Peterson says, "without reforming entitlements is almost an oxymoron.'

There is a strong tide of sympathy for Peterson's position among Bush aides, but an even stronger tide of reality. "Something is going to have to be done about Medicare," says one, "but it will take a Democrat to do it, just like it took Nixon to go to China or Reagan to get the INF treaty.

This is a frequent, frustrated refrain. A Bush administration, unlike its predecessor, would take domestic policy seriously. It

would actually try to administer all the old agencies—EPA, OSHA, HUD, HHS-left to corrode during the Reagan years. "We should force a new assessment of all the 50-year-old programs on the books," says the energetic and creative Steelman, who helped develop Bush's \$2.2-billion day-care plan. But when asked which programs, she retreats—it's too hot politically for a Republican, even a moderate who takes the "safety net" concept seriously, to suggest reform of social programs.

ESPITE THE

caution, it's possible that most of the creative tensions in a Bush administration would come on the domestic-policy side. Certainly, there isn't all that much dramatic left to be done with foreign policy, except in the Middle East, and practically no one in either party thinks much headway can be

made there in the near term.

In the campaign, Bush has projected a somewhat harder line toward the Soviets than Reagan, expressing doubt about a quick completion of the strategic-arms-reduction treaty (START). Like Dukakis, he would place greater emphasis on conventional-force-reduction talks—and perhaps even link the START treaty to a Soviet withdrawal from central Europe. "The conventional imbalance in Europe is one of the reasons for our current nuclear-force posture," says Brent Scowcroft. "If we are to reduce our nuclear forces, then steps must be taken to rectify the imbalance. There's something of a natural linking between the two."

Since a conventional-forces deal would require enormously complicated negotiations—with the NATO allies as well as with the Russians—Bush seems to be indicating that there won't be any dramatic breakthroughs with the Russians soon. "There won't be any breakthroughs at all unless we remain strong,' says John Tower. "I am very concerned about Dukakis's wanting to cut back strategic-weapons systems. Everyone knows that the only reason why we got an INF treaty from the Russians was our decision to deploy the Pershing II missiles. If we don't press ahead with the modernization of our forces, the Russians aren't likely to feel the need to engage in serious negotiations."

Tower acknowledges that budgetary realities may limit options at the Defense Department, and that choices are going to

have to be made among the multitude of weapons systems that were approved by the Weinberger Pentagon and are now moving toward completion. "We may also have to begin to rethink our overall strategy." Tower says, "given the apparent diffusion of power in the world.

OST BUSH ADVISERS SENSE THE shift toward a more complicated, multipolar world, but there is a reluctance to abandon the East-West struggle as the central foreign-policy drama. "Bush comes out of the postwar, Cold War tradition," says Chase



Untermeyer. "He faced the Russians at the United Nations. He lived in China. I think he's more skeptical of Gorbachev than the Reagan administration has been."

Bush may be especially reluctant to abandon the East-West struggle in Central America, where he has close and long-standing ties with the virulently anti-Communist Cubans in Miami. He can certainly be counted on to support the contras in Nicaragua and—given his CIA background—might well be expected to increase covert actions in the region. The vice-president has said more than once that he would seek to "strengthen the intelligence community."

More than a few spook-watchers will be curious about the fate of Donald Gregg in a Bush administration. Gregg, who has been with the vice-president since his tenure as director of Central Intelligence and is currently his national-security adviser, has been named in numerous press reports as an active participant in the illegal contra resupply operations.

Gregg is also the source of the now-infamous statement that Bush would have different "gut feelings" toward Israel than Ronald Reagan. This quote is often seized upon as evidence that Bush, a former oilman, would follow the lead of "Saudiphiles" in the State Department and the CIA and tilt American policy toward a more "evenhanded" posture in the Middle East. "That's nonsense," says Dennis Ross, who recently became the Bush campaign's chief foreign-policy staffer. Ross, a former NSC adviser specializing in the Middle East, has been a staunch defender of Israel. "I wouldn't be here if Bush felt that way."

Ross says that an immediate priority would be to seek to limit the spread of ballistic missiles in the Middle East. "This has become an enormous threat to Israel." he says. "Missiles carrying chemical weapons proved devastating in the Iran-Iraq war. They could easily be turned against Israel."

Scowcroft agrees that the sale of missiles is a critical problem. "It's a revolutionary development in weaponry," he says, adding that there is need to bring quiet diplomatic pressure on the Soviets and, especially, the Chinese to stop the sale of missiles to the Middle East.

But neither Ross nor Scowcroft is very optimistic about the chances for a breakthrough in the region. "The age of heroic

3

politics is over in the Middle East," says Ross. "The potential for big, bold steps is minimal."

The same could be said of a Bush administration. There would be none of the flash and daring of the Reagan years, but none of the embarrassing excesses either. There would be no talk of evil empires, but no strolling arm in arm with Gorbachev in Red Square; no bureaucrat-bashing, no Borks or Bitburgs, no "dead on arrival" budgets.

George Bush—though called a moderate—is a conservative in the truest sense, intent on preserving the status quo (with some tinkering around the edges). If he is elected, it will be a sign that the country is comfortable with the way things are and that any change—even the marginal one proposed by Michael Dukakis—would be unwelcome. It would be a mandate to mark time.

The trouble is, time does tend to march on, although perhaps more slowly when Republicans are in office. No doubt, President Bush would ultimately be judged on the qualities least apparent in his public persona: his ability to be bold, innovative, and perhaps even exciting his ability to discern the future and lead the nation there.